

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT	)	
FILING OF DUKE ENERGY	)	CASE NO. 2012-00459
KENTUCKY, INC.	)	

ORDER

On December 29, 2009, in Case No. 2009-00202,<sup>1</sup> the Commission approved rates for Duke Energy Kentucky, Inc. ("Duke") and provided for their further adjustment in accordance with Duke's Gas Cost Adjustment ("GCA") clause.

On October 9, 2012, Duke filed its GCA to be effective October 29, 2012.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Duke's notice includes rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Duke's Expected Gas Cost ("EGC") is \$4.594 per Mcf, which is an increase of \$.236 per Mcf from its previous EGC of \$4.358 per Mcf.
3. Duke's notice sets out its current quarter Refund Adjustment ("RA") of (\$.014) per Mcf. Duke's total RA is (\$.017) per Mcf, which represents no change from its previous total RA.

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<sup>1</sup> Case No. 2009-00202, Application of Duke Energy Kentucky, Inc. for an Adjustment of Rates (Ky. PSC Dec. 29, 2009).

4. Duke's notice sets out its current quarter Actual Adjustment ("AA") of (\$.161) per Mcf. Duke's total AA is (\$.182) per Mcf, which represents no change from its previous total AA.

5. Duke's notice sets out its current quarter Balancing Adjustment ("BA") of (\$.005) per Mcf. Duke's total BA of \$.042 per Mcf represents no change from its previous total BA.

6. Duke's Gas Cost Recovery ("GCR") rate is \$4.437 per Mcf, which is an increase of \$.236 per Mcf from its previous GCR of \$4.201 per Mcf.

7. The rates as proposed by Duke and set forth in the Appendix to this Order are fair, just, and reasonable and should be approved for final meter readings by Duke on and after October 29, 2012.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Duke and set forth in the Appendix to this Order are approved for final meter readings on and after October 29, 2012.

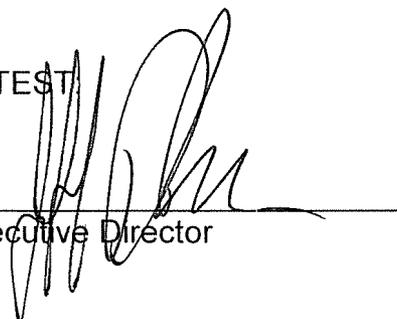
2. Within 20 days of the date of this Order, Duke shall file its revised tariff sheets with this Commission setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission

Commissioner Breathitt is abstaining from this proceeding.

ENTERED <sup>A</sup>  
OCT 26 2012  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST

  
\_\_\_\_\_  
Executive Director

Case No. 2012-00459

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2012-00459 DATED **OCT 26 2012**

The following rates and charges are prescribed for the customers served by Duke Energy Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

GAS SERVICE RATES

RATE RS  
RESIDENTIAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.37213	plus	\$.4437	\$.81583

RATE GS  
GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.20530		\$.4437	\$.6490

RIDER GCAT  
GAS COST ADJUSTMENT TRANSITION RIDER

The amount of this charge or (credit) shall be (\$.0157) per 100 cubic feet. This rate shall be in effect during the months of September 2012 through November 2012 and shall be updated quarterly, concurrent with the Company's GCA filings.

John Linton  
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Cincinnati, OH 45201